



## **Medical Facility Infrastructure Loan Program**

Bank of North Dakota provides loans to medical facilities to conduct construction that improves the health care infrastructure in the state or improves access to existing nonprofit health care providers in the state.

### **Qualifying Requirements for Borrower** – In order to qualify for the program:

- An application must be submitted by the governing board of the health care facility intended to receive the funding.
- The applicant must provide a detailed description of the proposed construction project.
- The proposed medical facility must have an expected utilization of at least 30 years.
- The need and long-term viability of the construction project must be demonstrated.
- All applications must be reviewed and approved by the Medical Facility Infrastructure Task Force.
- Priority will be given to applicants located in oil-producing counties.

### **Eligible Loan Proceeds** – The proceeds may be used to finance the following:

- Purchase of land.
- Purchase, lease, erection, or improvement of any structure or facility to the extent that the governing board of the health care facility has authority to authorize such activity.
- Purchase of equipment.

### **Loan Amount** – The maximum amount of a loan may not exceed 75% of the project costs within the following parameters:

- The proposed construction project must be at least \$1,000,000.
- The maximum loan amount is \$15,000,000 per project or borrower.
- The construction period must not exceed 24 months after loan approval by the Bank.

**Collateral** – All loans under this program shall be secured by all available collateral interests. The Bank will work with other alternative financing sources in perfecting collateral interests for all parties.

**Interest Rate** – The interest rate established for this program has been set at 1% with the fund receiving .50% and BND receiving a .50% service fee.

**Application Process** – All applications for loans under this program must be made to the Medical Facility Infrastructure Task Force. This task force will provide written approval that details the reasons for approval of the applicant's project. BND will require the following items from the applicant:

- Application plus all required attachments
- Evidence of approval of the building plans from the North Dakota Department of Health
- Any other data or documentation as deemed necessary.

**Repayment Terms** – Monthly interest payments will be required during the construction period or paid at the time of conversion to permanent financing. Permanent financing requires monthly amortized payments not to exceed 25 years.

**Fees and Costs** – The Bank may charge an origination fee and charge the borrower for all construction related loan servicing expenses.

**APPLY HERE**